

**SHARE EXCHANGE AGREEMENT
BETWEEN
LIBERTY MEDIA CORPORATION
AND
NEWS CORPORATION
AND ANCILLARY DOCUMENTS**

DECEMBER 22, 2006

INDEX OF DOCUMENTS SIGNED IN CONNECTION WITH THE

SHARE EXCHANGE AGREEMENT

between

LIBERTY MEDIA CORPORATION

and

NEWS CORPORATION

dated as of December 22, 2006

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EXECUTION COPY

SHARE EXCHANGE AGREEMENT

by and between

NEWS CORPORATION

and

LIBERTY MEDIA CORPORATION

As of December 22, 2006

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Tax Matters Agreement

SHARE EXCHANGE AGREEMENT

This SHARE EXCHANGE AGREEMENT, dated as of December 22, 2006 (this "Agreement"), is entered into by and between NEWS CORPORATION, a Delaware corporation ("Parent") and LIBERTY MEDIA CORPORATION, a Delaware corporation ("LMC").

WITNESSETH:

WHEREAS, Greenlady Corp. ("Splitco"), a Delaware corporation, as an indirect wholly owned subsidiary of Parent;

WHEREAS, the Networks (as defined in Article I) conduct a business consisting of regional sports programming networks (the "Transferred Business");

WHEREAS, Parent through its wholly owned subsidiary Fox Entertainment Group, Inc. ("FEG") owns the DTV Shares (as defined in Article I);

WHEREAS, the Stockholders (as defined in Article I) are indirect wholly owned subsidiaries of LMC;

WHEREAS, the Stockholders collectively own the LMC Parent Shares (as defined in Article I);

WHEREAS, as of the Closing (as defined in Article III) the assets of Splitco will consist solely of (i) all issued and outstanding equity interests of each RSN Subsidiary (as defined in Article I), (ii) the DTV Shares and (iii) the Cash Amount (as defined in Article I);

WHEREAS, upon the terms and subject to the conditions set forth in this Agreement, (a) Parent desires to exchange the Splitco Shares (as defined in Article I) for the LMC Parent Shares, and (b) LMC desires to cause the Stockholders to exchange the LMC Parent Shares for the Splitco Shares;

WHEREAS, the parties hereto intend that the Exchange (as defined in Section 3.1) qualify as a tax-free exchange under Section 355(a) of the Code (as defined in Article I) and this Agreement, together with the Tax Matters Agreement (as defined in Article I), constitute a "plan of reorganization," as defined in Section 368 of the Code;

WHEREAS, concurrently with the execution of this Agreement, Parent and certain of its Affiliates party thereto, on the one hand, and LMC and certain of its Affiliates party thereto, on the other hand, are entering into the Tax Matters Agreement;

WHEREAS, at or prior to the Closing Parent and LMC shall enter into the Global Affiliation Agreement Side Letter (as defined in Article I);

WHEREAS, at or prior to the Closing, Parent and certain of its Affiliates (other than the Transferred Subsidiaries) party thereto, on the one hand, and the Transferred Subsidiaries and DTV, on the other hand, shall enter into the following agreements, each in a form reasonably satisfactory to each of Parent and LMC: (i) the NSP Agreements, (ii) the NAP

Agreements, (iii) the Technical Services Agreement, (iv) the Transitional Services Agreement, (v) the Production Services Agreement, (vi) the Sports Access Agreement, (vii) the Webpage Services Agreement, (viii) the FSD Representation Agreement, (ix) the Fox College Sports License Agreement, (x) the DTV Non-Competition Agreement and (xi) the RSN Subsidiary Non-Competition Agreement (such agreements, together with the Global Affiliation Side Letter and the Tax Matters Agreement, the "Ancillary Agreements");

WHEREAS, the Board of Directors of Parent and the Board of Directors of LMC and each Stockholder have, in each case, determined that it is in the best interests of their respective corporations and their respective stockholders to enter into this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and intending to be legally bound, the parties hereto agree as follows:

ARTICLE I.

CERTAIN DEFINITIONS AND OTHER MATTERS

Section 1.1. Certain Definitions. As used in this Agreement and the schedules hereto, the following terms have the respective meanings set forth below.

"Action" means any demand, action, claim, suit, countersuit, litigation, arbitration, prosecution, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, inquiry, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any court, grand jury or other Governmental Authority or any arbitrator or arbitration panel.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person; *provided*, however that (i) the Transferred Subsidiaries will be treated as Affiliates of Parent prior to the Closing and as Affiliates of LMC after the Closing, and (ii) the term "Affiliate" when used with respect to Parent or any Affiliate of Parent prior to the Closing, or LMC or any Affiliate of LMC after the Closing, shall not include DTV or any of its Subsidiaries. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, including the ability to elect the members of the board of directors or other governing body of a Person, and the terms "controlled" and "controlling" have correlative meanings.

"Antitrust Laws" means the HSR Act, the Sherman Act, as amended, the Clayton Act, as amended, the Federal Trade Commission Act, as amended, and all other federal, state, and foreign statutes, rules, regulations, orders, decrees, administrative and judicial doctrines and other laws that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening competition through merger or acquisition.

"Associate" shall have the meaning ascribed to such term under the ASX Listing Rules.

"ASX" means the Australian Stock Exchange.

"beneficial ownership" shall have (and related terms such as "beneficially owned" or "beneficial owner") the meaning set forth in Rule 13d-3 under the Exchange Act; *provided, however* that a Person shall be deemed to beneficially own any securities which such Person has the right to acquire whether such right is exercisable immediately or only after the passage of time or upon the satisfaction of one or more conditions (whether or not within the control of such Person) pursuant to any agreement, arrangement or understanding (whether or not in writing) or upon the exercise of conversion rights, exchange rights, other rights, warrants or options.

"Business Day" means any day that is not a Saturday, Sunday or other day on which banking institutions in New York, New York are authorized or required by Law or executive order to close.

"Business FCC Licenses" means the material licenses, permits, authorizations, and approvals issued by the FCC to each of the RSN Subsidiaries which are used in connection with the operation of the Networks.

"Cash Amount" means five hundred and fifty million dollars (\$550,000,000), plus the Estimated Net Working Capital Deficiency Amount (if any) or minus the Estimated Net Working Capital Excess Amount (if any).

"Cleanup" means all actions required to (a) clean up, remove, treat or remediate Hazardous Materials in the indoor or outdoor environment, (b) perform pre-remedial studies and investigations and post-remedial monitoring and care, (c) respond to any requests by a Governmental Authority for information or documents relating to cleanup, removal, treatment or remediation or potential cleanup, removal, treatment or remediation of Hazardous Materials in the indoor or outdoor environment or (d) prevent the Release of Hazardous Materials so that they do not migrate, endanger, or threaten to endanger public health or welfare or the indoor or outdoor environment.

"Code" means the Internal Revenue Code of 1986, as amended.

"Communications Act" means the Communications Act of 1934, as amended, and the rules, regulations and published orders of the FCC thereunder.

"Communications Regulation" means the Communications Act, the Telecommunications Act of 1996, any rule, regulation or policy of the FCC, and/or any statute, rule, regulation or policy of any other Governmental Authority with respect to the operation of channels of radio communication and/or the provision of communications services (including the provision of direct-to-home video programming).

"Confidentiality Agreement" means the letter agreement, dated September 5, 2006, by and between Parent and LMC.

"Contract" means any agreement, contract, lease, power of attorney, note, loan, evidence of indebtedness, purchase and sales order, letter of credit, settlement agreement, franchise agreement, undertaking, covenant not to compete, employment agreement, license,

instrument, obligation, option, commitment, understanding and other executory commitment, whether oral or written, express or implied.

"Customer Agreements" means all Contracts between any RSN Subsidiary and a customer of the Transferred Business.

"Damages" means any and all losses, Liabilities, claims, damages, deficiencies, fines, payments, costs and expenses, whenever or however arising and whether or not resulting from third party claims (including all amounts paid in connection with any demands, assessments, judgments, settlements and compromises relating thereto; interest and penalties with respect thereto; and costs and expenses, including reasonable attorneys', accountants' and other experts' fees and expenses, incurred in investigating, preparing for or defending against any such Actions or other legal matters or in asserting, preserving or enforcing an Indemnified Party's rights hereunder). Damages shall expressly exclude special, punitive and consequential damages and any and all losses, Liabilities, claims, damages, deficiencies, fines, payments, costs or expenses with respect to diminution of value; *provided* that Damages shall include any of the foregoing awarded in an Action (or settlement thereof) to any third party against an Indemnified Party, without regard to the foregoing limitations.

"DIT" means any "deferred intercompany transaction" or "intercompany transaction" within the meaning of the Treasury Regulations (or predecessors thereto) that does not occur pursuant to the Parent Restructuring.

"DTV" means The DirecTV Group, Inc., a Delaware corporation.

"DTV Non-Competition Agreement" means the letter agreement relating to Parent's confidentiality, non-competition and non-solicitation provisions relating to DTV to be entered into by and between Parent and DTV.

"DTV Shares" means, the shares of common stock of DTV held by FEG, as specified in Section I.1 of the Parent Disclosure Letter, and to be transferred to Splitco pursuant to Section 3.1.

"ELA" means any "excess loss account" within the meaning of the Treasury Regulations (or predecessors thereto).

"Encumbrances" means security interests, liens, charges, claims, title defects, deficiencies or exceptions (including, with respect to the Leased Real Property, defects, deficiencies or exceptions in, or relating to, marketability of title, or leases, subleases or the like affecting title), mortgages, pledges, easements, encroachments, restrictions on use, rights-of-way, rights of first refusal, rights of first negotiation or any similar right in favor of any third party, any restriction on the receipt of any income derived from any asset and any limitation or restriction on the right to own, vote, sell or otherwise dispose of any security, conditional sales or other title retention agreements, covenants, conditions or other similar restrictions (including restrictions on transfer) or other encumbrances of any nature whatsoever, other than Permitted Encumbrances.

"Environmental Claim" means any claim, action, cause of action, investigation, request for information or notice (written or oral) by any Person or entity alleging potential liability for investigatory costs, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries, or penalties arising out of, based on or resulting from (a) the presence, or Release into the environment, of any Hazardous Material at any location, whether or not owned or operated by such Person or any of its Subsidiaries or (b) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law or (c) any contractual liabilities.

"Environmental Laws" means all Laws relating to pollution or protection of human health and safety or the environment (including ambient air, surface water, groundwater, land surface, natural resources or subsurface strata), including all such Laws relating to Releases or threatened Releases of Hazardous Materials into the environment or work place, or otherwise relating to the environmental or worker health and safety aspects of manufacturing, processing, distribution, importation, use, treatment, storage, disposal, transport or handling of Hazardous Materials, including the Comprehensive Response, Compensation, and Liability Act and its state equivalents, chemical inventories in all relevant jurisdictions, and all such Laws relating to the registration of products of the Transferred Business or Splitco under the Federal Insecticide, Fungicide and Rodenticide Act, the Food Drug and Cosmetic Act, the Toxic Substances Control Act, the European List of Notified Chemical Substances, the European Inventory of Existing Commercial Chemical Substances or similar Laws.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"FCC" means the United States Federal Communications Commission, including a Bureau or subdivision thereof acting on delegated authority.

"FCC Consent" means the grant, without regard to whether such grant has become a final order, by the FCC of its consent to, or approval of, the transfer of control of Splitco, and consent to, or approval of, transfer of the DTV Shares and any transfer of control of DTV, to LMC (or any Affiliate of LMC), pursuant to appropriate applications filed by the parties with the FCC, as contemplated by this Agreement.

"FLSA" means the Fair Labor Standards Act, 29 U.S.C. Section 201, as amended.

"FSD Representation Agreement" means the FSD representation agreement entered into by and among Fox Sports Direct and each of the RSN Subsidiaries, respectively.

"Fox College Sports License Agreement" means the agreement relating to the license of Network programming by the RSN Subsidiaries to Fox College Sports, Inc.

"GAAP" means United States generally accepted accounting principles, consistently applied.

"Global Affiliation Agreement Side Letter" means the letter agreement relating to global affiliation agreements entered into by and between LMC and Parent.

"Governmental Authority" means any supranational, national, federal, state or local government, foreign or domestic, or the government of any political subdivision of any of the foregoing, or any entity, authority, agency, ministry, department, board, commission, court or other similar body exercising executive, legislative, judicial, regulatory or administrative authority or functions of or pertaining to government, including any authority or other quasi-governmental entity established by a Governmental Authority to perform any of such functions.

"Hazardous Materials" means any substance which is listed, defined or regulated as a pollutant, contaminant, hazardous, dangerous or toxic substance, material or waste, or is otherwise classified as hazardous, dangerous or toxic in or pursuant to any Environmental Law or which is or contains any explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum and petroleum products (including waste petroleum and petroleum products) as regulated under any applicable Environmental Law.

"Indebtedness" of any Person means, without duplication, (i) all obligations of such Person for money borrowed, whether current or unfunded, or secured or unsecured; (ii) all obligations of such Person evidenced by notes, debentures, bonds or other similar instruments or debt securities for the payment of which such Person is responsible or liable (excluding current accounts payable incurred in the ordinary course of business); (iii) all obligations of such Person issued or assumed for deferred purchase price payments associated with acquisitions, divestments or other transactions; (iv) all obligations of such Person under leases required to be capitalized in accordance with GAAP, (v) all obligations of such Person for the reimbursement of any obligor on any letter of credit, banker's acceptance, guarantees or similar credit transaction, (vi) all interest, fees, prepayment premiums and other expenses owed with respect to the indebtedness referred to above and (vii) all indebtedness of others referred to above which is directly or indirectly guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire or in respect of which it has otherwise assured a creditor against loss, including through the grant of a security interest upon any assets of such Person.

"Intellectual Property" shall mean all United States and foreign (i) patents, patent applications, patent disclosures, and all related continuations, continuations-in-part, divisionals, reissues, re-examinations, substitutions, and extensions thereof, (ii) trademarks, service marks, trade names, domain names, logos, slogans, trade dress, and other similar designations of source or origin, together with the goodwill symbolized by any of the foregoing, (iii) copyrights and copyrightable subject matter, (iv) rights of publicity, (v) moral rights and rights of attribution and integrity, (vi) trade secrets and all confidential information, know-how, inventions, proprietary processes, formulae, models, and methodologies, (vii) all rights in the foregoing and in other similar intangible assets, (viii) all applications and registrations for the foregoing, and (ix) all rights and remedies against infringement, misappropriation, or other violation thereof.

"IRS" means the Internal Revenue Service of the United States of America.

"Knowledge" means (i) with respect to Parent, the actual knowledge of any of the individuals set forth on Schedule 1.1(a) of the Parent Disclosure Letter, and (ii) with respect to LMC, the actual knowledge of any of the individuals set forth on Schedule 1.1(b) of the LMC Disclosure Letter. "Know," "knows" and correlative terms will be read to have similar meanings.

"Laws" means all United States federal, state or local, foreign or supranational laws, constitutions, statutes, codes, rules, regulations, ordinances, orders, judgments, writs, stipulations, awards, injunctions, arbitration awards or findings decrees or edicts by a Governmental Authority having the force of law, including any of the foregoing as they relate to Tax.

"Leased Real Property" means any real property leased or subleased by the Transferred Subsidiaries and set forth (and designated as leased) in Section 4.17.2 of the Parent Disclosure Letter.

"Liabilities" means any and all Indebtedness, liabilities, commitments and obligations, whether or not fixed, contingent or absolute, matured or unmatured, direct or indirect, liquidated or unliquidated, accrued or unaccrued, known or unknown, whether or not required by GAAP to be reflected in financial statements or disclosed in the notes thereto, including those arising under any Action, Law, order, judgment, injunction or consent decree of any Governmental Authority or any award of any arbitrator of any kind, and those arising under any contract, commitment or undertaking.

"Liberty Basket Amount" means \$12,000,000.

"Liberty Basket Breach" means the failure of any representation or warranty contained in this Agreement and made by LMC (other than those representations or warranties contained in Sections 5.1, 5.2, 5.3, 5.5, 5.10 and 5.11) to be true and correct when made or deemed made.

"Liberty Basket Exception Breach" means the failure of any representation or warranty contained in Sections 5.1, 5.2, 5.3, 5.5, 5.10 and 5.11 of this Agreement to be true and correct when made or deemed made.

"LMC Disclosure Letter" means the disclosure letter that LMC has delivered to Parent on the date of this Agreement prior to the execution hereof, which letter is incorporated by reference herein.

"LMC Indemnites" means, collectively, LMC, its Affiliates, and their respective stockholders, members, partners, officers, directors, employees, attorneys, representatives and agents.

"LMC Parent Shares" means the 324,637,067 Shares of Parent Class A Common Stock and 188,000,000 shares of Parent Class B Common Stock owned by the Stockholders.

"LMC Tax Opinion" means the written opinion of LMC's Tax counsel, addressed to LMC and dated as of the Closing Date, in form and substance reasonably satisfactory to LMC,

to the effect that, based upon the Rulings, the Tax Opinion Representations, and any other facts, representations and assumptions set forth or referred to in such opinion, and subject to such qualifications and limitations as may be set forth in such opinion, for United States federal income tax purposes, no gain or loss will be recognized by (and no amount will be includible in the income of) the Stockholders on the Exchange.

"LMC Tax Opinion Representations" means the representations set forth in a letter, which shall be executed by LMC on the Closing Date and dated and effective as of the Closing Date, to be made by LMC to each of the firms providing the Tax Opinions as a condition to, and in connection with, the issuance of the Tax Opinions, including representations in form and substance substantially as set forth in Schedule A to this Agreement (amended as necessary to reflect changes in relevant facts occurring after the date of this Agreement and on or before the Closing Date).

"Material Adverse Effect" means, with respect to a Person or the Transferred Business, any change, effect, event, occurrence, development, condition or circumstance that, individually or in the aggregate with all other adverse changes, effects, events, occurrences, developments, conditions or circumstances, is, or is reasonably likely to be, materially adverse to the business, operations, results of operations, assets, liabilities, or condition (financial or otherwise) of such Person and its Subsidiaries, taken as a whole, or the Transferred Business, taken as a whole, or on the ability of such Person to consummate the Transactions, other than any change, effect, event, occurrence, development, condition or circumstance resulting from, or relating to (i) the United States economy in general or (ii) the industry in which such Person or the Transferred Business operates in general, and not having a materially disproportionate effect (relative to the effect on other Persons operating in such industry) on such Person or the Transferred Business; *provided* that for the purposes of any determination as to the existence of a "Material Adverse Effect" with respect to Splitco, Splitco's assets shall be deemed to consist of the following as of the time of such determination: (i) all issued and outstanding equity interests of each RSN Subsidiary and (ii) the DTV Shares; *provided* further that any determination as to the existence of a "Material Adverse Effect" with respect to Splitco shall be made after taking into account (without duplication) any amounts actually recovered, under any insurance policy maintained by Parent or any of its Affiliates or DTV, and/or by Parent, any Affiliate of Parent or DTV from any other third party, and, in each case, after giving effect to the application of any such amounts for the benefit of the Transferred Subsidiaries or DTV. No change, effect, event or occurrence arising or resulting from any of the following, either alone or in combination, shall constitute or be taken into account in determining whether there has been, a Material Adverse Effect: (i) the announcement or performance of this Agreement and the transactions contemplated hereby (including compliance with the covenants set forth herein, or any action taken or omitted to be taken by Parent, any Transferred Subsidiary, Splitco or DTV at the request or with the prior written consent of LMC), including, to the extent arising therefrom, any termination of, reduction in or similar negative impact on relationships, contractual or otherwise, with any customers, suppliers, distributors, partners or employees of the Transferred Business or DTV, (ii) acts of war or terrorism or natural disasters, (iii) changes in any Laws or regulations or applicable accounting regulations or principles or the interpretations thereof, (iv) the fact, in and of itself (and not the underlying causes thereof) that any Transferred Subsidiary or DTV failed to meet any projections, forecasts, or revenue or earnings predictions for any period, or (v) any

change, in and of itself (and not the underlying causes thereof) in the stock price of the LMC Parent Shares or the DTV Shares.

"Maximum Amount" means \$75,000,000 (provided that it is the understanding of the parties that such \$75,000,000 amount shall not have deducted therefrom the amount of the Parent Basket Amount or the Liberty Basket Amount, as the case may be).

"Multiemployer Plan" means any "multiemployer plan" within the meaning of Section 3(37) of ERISA.

"Murdoch Interests" means each of Mr. K. Rupert Murdoch, the Murdoch Family Trust and Cruden Financial Services LLC and (x) any successor to any of the foregoing and (y) any transferee of Parent Class B Stock of any of the foregoing.

"NAP Agreements" means each national advertising sales representation agreement by and among National Advertising Partners and each of the RSN Subsidiaries.

"Network" means each of the regional sports programming cable networks operated by the RSN Subsidiaries and listed on Section 1.1 of the Parent Disclosure Letter.

"Net Working Capital" means the (A) current assets (excluding cash and excluding Tax assets) less (B) current liabilities (excluding Tax liabilities, and calculated after giving effect to the settlement of intercompany accounts contemplated by Section 6.11), in each case, of the RSN Subsidiaries on a consolidated basis, all as determined in accordance with the methods, principles and classifications used in preparing the Interim Balance Sheet included in the Financial Statements and set forth on Schedule B attached hereto and in accordance with GAAP (excluding footnotes and normal year-end adjustments).

"NSP Agreements" mean each national sports programming service license agreement by and among National Sports Programming and each of the RSN Subsidiaries.

"Parent Basket Amount" means \$12,000,000.

"Parent Basket Breach" means the failure of any representation or warranty contained in this Agreement and made by Parent (other than those representations or warranties contained in Sections 4.1, 4.2, 4.3, 4.4, 4.19, 4.22 and 4.23 and other than the representations and warranties contained in Section 4.20 which shall not be the subject of any claim for indemnification under Article VIII) to be true and correct when made or deemed made.

"Parent Basket Exception Breach" means the failure of any representation or warranty contained in Sections 4.1, 4.2, 4.3, 4.4, 4.19, 4.22 and 4.23 of this Agreement to be true and correct when made or deemed made.

"Parent Common Stock" means, collectively, the Class A Common Stock, par value \$0.01 per share, of Parent ("Parent Class A Stock") and the Class B Common Stock, par value \$0.01 per share, of Parent ("Parent Class B Stock").

"Parent Disclosure Letter" means the disclosure letter that Parent has delivered to LMC on the date of this Agreement prior to the execution hereof, which letter is incorporated by reference herein.

"Parent Indemnitees" means, collectively, Parent, its Affiliates and its and their respective stockholders (other than LMC and any of its Affiliates), members, partners, officers, directors, employees, attorneys, representatives and agents.

"Parent Restructuring" means the restructuring effected by Parent and its Affiliates pursuant to the steps set forth on Schedule C hereto, as the same may be modified in accordance with the Tax Matters Agreement.

"Parent Tax Opinion" means the written opinion of Parent's Tax counsel, addressed to Parent and dated as of the Closing Date, in form and substance reasonably satisfactory to Parent, to the effect that, based upon the Rulings, the Tax Opinion Representations and any other facts, representations and assumptions set forth or referred to in such opinion, and subject to such qualifications and limitations as may be set forth in such opinion, for United States federal income tax purposes, no gain or loss will be recognized by (and no amount will be includible in the income of) Parent or any of its Affiliates on the Exchange or the Parent Restructuring, except with respect to any DITS or ELAs.

"Parent Tax Opinion Representations" means the representations set forth in the letter, which shall be executed by Parent on the Closing Date and dated and effective as of the Closing Date, to be made by Parent to each of the firms providing the Tax Opinions as a condition to, and in connection with, the issuance of the Tax Opinions, including representations in form and substance substantially as set forth in Schedule D to this Agreement (amended as necessary to reflect changes in relevant facts occurring after the date of this Agreement and on or before the Closing Date).

"Permitted Encumbrances" means (i) Encumbrances for Taxes not yet due or being contested in good faith by appropriate proceedings and for which adequate accruals or reserves have been established, (ii) the claims of mechanics, materialmen or like Persons that have arisen in the ordinary course of business or imperfections of title, restrictions and other Encumbrances that, in any such case, do not materially interfere with the use of (in the ordinary course of business) or the value (as so used) of, the property subject thereto, (iii) rights granted to any licensee of any Intellectual Property Rights in the ordinary course of business consistent with past practices, (iv) Encumbrances securing Indebtedness not yet in default for the purchase price or lease payments on property purchased or leased in the ordinary course of business, (v) Encumbrances created by actions of LMC or its Affiliates, (vi) with respect to securities, including capital stock, Encumbrances imposed by the Securities Act or the Exchange Act or (vii) Encumbrances arising from the rights and obligations under this Agreement or any Ancillary Agreement.

"Person" means an individual, partnership (general or limited), corporation, limited liability company, joint stock company, unincorporated organization or association, trust, joint venture or other entity, or a Governmental Authority.

"Pledged Shares" means the 60,000,000 shares of Parent Class A Common Stock owned beneficially and of record by the Stockholders pledged, as of the date hereof, to secure certain of the Stockholders' obligations under variable forward OTC contracts.

"Production Services Agreement" means the agreement relating to the provision of production services identified therein by the Transferred Subsidiaries to be entered into by and among each of the Transferred Subsidiaries and Fox Sports Net, Inc.

"Real Property Lease" means the lease or sublease agreement pursuant to which a Leased Real Property is leased or subleased.

"Release" means any release, spill, emission, discharge, leaking, pumping, injection, deposit, disposal, dispersal, leaching or migration into the indoor or outdoor environment (including ambient air, surface water, groundwater and surface or subsurface strata) or into or out of any property, including the movement of Hazardous Materials through or in the air, soil, surface water, groundwater or property.

"RSN Subsidiaries" means each of Fox Sports Net Rocky Mountain, LLC, Fox Sports Net Pittsburgh, LLC, and Fox Sports Net Northwest, LLC.

"RSN Subsidiary Non-Competition Agreement" means the letter agreement relating to Parent's confidentiality, non-competition and non-solicitation obligations relating to the RSN Subsidiaries to be entered into by and among Parent, Splitco and each RSN Subsidiary.

"Rulings" shall mean the Exchange Rulings and the Parent Restructuring Ruling.

"SEC" means the United States Securities and Exchange Commission.

"Securities Act" means the United States Securities Act of 1933.

"Securities Encumbrances" means security interests, liens, charges, claims, title defects, deficiencies or exceptions, mortgages, pledges, rights of first refusal, rights of first negotiation or any similar right in favor of any Person, any restriction on the receipt of any income derived from any security and any limitation or restriction on the right to own, vote, sell or otherwise dispose of any security, conditional sales or other title retention agreements, covenants, conditions or other similar restrictions (including restrictions on transfer) or other encumbrances of any nature whatsoever, other than (i) Encumbrances imposed by the Securities Act or the Exchange Act or (ii) Encumbrances arising from the rights and obligations under this Agreement.

"Splitco Common Stock" means the common stock, par value \$0.01 per share, of Splitco.

"Splitco Shares" means all of the issued and outstanding shares of Splitco Common Stock.

"Sports Access Agreements" means the agreements relating to the license of highlights and clips for news access by media organizations to the RSN Subsidiaries to be

entered into by and among each of the RSN Subsidiaries and Sports Access, a division of ARC Holding, Ltd.

"Stockholders" means Liberty NC, Inc., Liberty NC II, Inc., Liberty NC IV, Inc., Liberty NC V, Inc., Liberty NC VI, Inc., Liberty NC VII, Inc., Liberty NC VIII, Inc., Liberty NC IX, Inc., Liberty NC XII, Inc. and LMC Bay Area Sports, Inc.

"Subsidiary" when used with respect to any Person, means (i)(A) a corporation of which a majority in voting power of its share capital or capital stock with voting power, under ordinary circumstances, to elect directors is at the time, directly or indirectly, owned by such Person, by a Subsidiary of such Person, or by such Person and one or more Subsidiaries of such Person, whether or not such power is subject to a voting agreement or similar Encumbrance, (B) a partnership or limited liability company in which such Person or a Subsidiary of such Person is, at the date of determination, (1) in the case of a partnership, a general partner of such partnership with the power affirmatively to direct the policies and management of such partnership or (2) in the case of a limited liability company, the managing member or, in the absence of a managing member, a member with the power affirmatively to direct the policies and management of such limited liability company, or (C) any other Person (other than a corporation) in which such Person, a Subsidiary of such Person or such Person and one or more Subsidiaries of such Person, directly or indirectly, at the date of determination thereof, has (1) the power to elect or direct the election of a majority of the members of the governing body of such Person, whether or not such power is subject to a voting agreement or similar Encumbrance, or (2) in the absence of such a governing body, at least a majority ownership interest or (ii) any other Person of which an aggregate of more than 50% of the equity interests are, at the time, directly or indirectly, owned by such Person and/or one or more Subsidiaries of such Person. For the purposes of the foregoing, the Transferred Subsidiaries will be treated as Subsidiaries of Parent until the Closing is completed and as Subsidiaries of LMC immediately after the Closing, and neither IAC/InterActiveCorp nor Expedia, Inc., or any of their respective Subsidiaries, will be treated as Subsidiaries of LMC.

"Tax" or "Taxes" means (i) any and all taxes, charges, fees, levies, customs, duties, tariffs, or other assessments, including income, gross receipts, excise, real or personal property, sales, withholding, social security, retirement, unemployment, occupation, use, goods and services, service use, license, value added, capital, net worth, payroll, profits, withholding, franchise, transfer and recording taxes, fees and charges, and any other taxes, charges, fees, levies, customs, duties, tariffs or other assessments imposed by the IRS or any taxing authority (whether domestic or foreign including any state, county, local or foreign government or any subdivision or taxing agency thereof (including a United States possession)), whether computed on a separate, consolidated, unitary, combined or any other basis; and such term shall include any interest thereon, fines, penalties, additions to tax, or additional amounts attributable to, or imposed upon, or with respect to, any such taxes, charges, fees, levies, customs, duties, tariffs, or other assessments; (ii) any Liability for the payment of any amounts described in clause (i) as a result of being a member of an affiliated, consolidated, combined, unitary or similar group or as a result of transferor, successor or similar Liability; and (iii) any Liability for the payments of any amounts as a result of being a party to any Tax sharing agreement or as a result of any express or implied obligation to indemnify any other Person with respect to the payment of any amounts of the type described in clause (i) or (ii).